

Navy Enlisted Supply Chain Vision and Concept of Operations

FINAL

December 2013



DEPARTMENT OF THE NAVY
COMMANDER
NAVAL EDUCATION AND TRAINING COMMAND
250 DALLAS STREET
PENSACOLA, FLORIDA 32508-5220

ACTION MEMO

November 25, 2013

FOR: CHIEF OF NAVAL PERSONNEL

FROM: RADM D. P. Quinn, Commander, Naval Education and Training Command

A handwritten signature in blue ink, likely of RADM D. P. Quinn, is located to the right of the "FROM" line.

SUBJECT: Navy Enlisted Supply Chain Vision and Concept of Operations

- Admiral, recommend you approve TAB A, Navy Enlisted Supply Chain (NESC) Vision and Concept of Operations, by initialing below as appropriate.
- NESC encompasses all echelons of the Manpower, Personnel, Training, and Education Enterprise and crosses multiple organizational lines.
 - Goal is to improve overall Fleet manning and accession training, providing a clear demand signal and ensuring a responsive supply chain.
 - Requires cooperation and coordination among all supply chain stakeholders.
- Long-term vision for supply chain management is to expand across all ratings and ranks, officer and enlisted.
- Package is being routed with a November 19, 2013 due date to you.

RECOMMENDATION: That CNP approve TAB A by initialing as appropriate:

Approve NFM 12/11/13 Disapprove _____

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Navy Enlisted Supply Chain Introduction

The Navy Enlisted Supply Chain (NESC) encompasses all echelons of the Manpower, Personnel, Training, and Education (MPTE) Enterprise and crosses multiple organizational lines. The goal is to improve overall Fleet manning and accession training, providing a clear demand signal and ensuring a responsive supply chain. This will require cooperation and coordination among all supply chain stakeholders. Each of the following organizations have a defined piece of the NESC with PMO acting as a transformative organization that facilitates among the supply chain stakeholders specifically, Office of the Chief of Naval Operations (OPNAV N1), Deputy Chief of Naval Operations (DCNO N1); OPNAV Resource Sponsors (N1, N2/N6, N4, N9); Bureau of Naval Personnel (BUPERS), Navy Recruiting Command (NRC), Naval Education and Training Command (NETC), Navy Personnel Command (NPC), Fleet customers (Commander, Fleet Forces Command (CFFC), Commander Pacific Fleet (CPF)), the Chief of Navy Reserve (CNRF), and Type Commanders(TYCOM).

Navy Enlisted Supply Chain Vision Overview

NESC will align and optimize planning and execution to maximize Fleet personnel readiness by effectively and efficiently flowing Sailors from recruiting to basic training, to skills training and to the Fleet. However, the business of planning, resourcing, recruiting, training, and distributing Navy enlisted manpower is complex and expensive. The process costs billions of dollars each year and spans up to several years for the production of Sailors in the Navy's most complex ratings. There are also multiple stakeholders, constantly changing demand signals, and many interdependent processes involved in management of the 845+ different training paths spread across 53 (16 NETC Learning Centers) learning centers and 241 learning sites to Fleet billets. For this reason, the Chief of Naval Personnel chartered the Business Improvement Team (BIT) to serve as the primary instrument of transformation, collaboration, and coordination for Navy enlisted personnel.

The current BIT was merged with the QDP EXCOM on 01 OCT 2012 in order to combine the two principal bodies that direct supply chain planning and execution. The BIT is designed to be a decision making body responsible for resolving barriers to implementation of cross-functional process improvements and primarily focuses on mitigating enlisted accessions supply chain issues. When necessary, the BIT will address supply chain issues affecting Fleet manning beyond the accessions. The QDP EXCOM is a Flag-level forum that oversees current and future year demand planning and outcomes. The alignment of the BIT and QDP Flag Panel forums provides a common view of the Navy Supply Chain, enhances decision-making effectiveness, and improves coordination and collaboration in planning and execution functions across the Navy Enlisted Supply Chain. The long-term vision for supply chain management is to expand across all ratings and ranks, officer and enlisted.

Navy Enlisted Supply Chain Stakeholders

The Navy Enlisted Supply Chain will operate more efficiently and effectively as each of the stakeholder organizations gain greater insight and understanding of how their individual actions impact the function of the overall supply chain. Stakeholders significantly enable efficient business operations for other stakeholders, both upstream and downstream in the chain. The following are the major contributing stakeholder organizations and their supply chain roles. OPNAV instructions pertaining to specific responsibilities are contained in Appendix A.

OPNAV N10 (Resource Management). N10 is both the N1 Resource Sponsor and the Chief of Naval Personnel Budget Submitting Office in their role as PERS-7 (BUPERS Comptroller). In these roles, N10 is responsible for Resource Management across the Future Years Defense Plan (FYDP) and into execution. N10 develops, monitors, and revises Navy strength plans, including all gain and loss transactions and phasing to ensure compliance with Congressional authorizations (end strength). In addition, N10 provides budget and execution oversight and management for all Military Personnel, Navy (MPN) and the Reserve Personnel, Navy (RPN) accounts.

OPNAV N12 (Total Force Requirements). N12 produces the Enlisted Programmed Authorization (EPA) twice annually. This EPA is used by strength and community management as a baseline to facilitate accession and advancement planning, and initial skills training. OPNAV N12 is also responsible for overseeing the Navy's Individuals Account, defining Sea/Shore flow, and matching EPA to billets.

OPNAV N13 (Military Personnel Plans and Policy). N13 provides integrated policy that defines and shapes the Navy workforce to enable mission execution for the Navy enterprises. Further, N13 recommends and initiates force management policy to maintain enlisted and officer strength within legal, policy, and fiscal constraints through the FYDP. Specifically, OPNAV N132 (Enlisted Plans and Policy) leads the enlisted QDP to develop and revise the current and future year's enlisted demand plans. In addition, OPNAV N13 provides advancement guidance and standard operating procedures, and monitors advancement execution. Additionally, OPNAV N13 provides enlisted retention benchmarks and continuation policy, and monitors retention execution.

OPNAV N15 (Information, Analysis and Development Division). N15 establishes the validated training requirement as part of the supply chain planning process for Echelon II Training Commands. Reviews budget issues submitted by Navy training agents resourced by N1, and advises N10 on Program Objective Memorandum (POM) inputs as needed.

BUPERS-3 (Military Community Management). Enlisted Community Managers review and analyze gain and continuation rates to force structure and future Enlisted Programmed Authorization(s) (EPA) to determine initial skills training requirements at the rating and Navy Enlisted Classification (NEC) levels for future fiscal years. As approved by the resource sponsor, the projected training requirements are used as a baseline for feasibility studies conducted by the Navy Training Agents. BUPERS-3 develops accession plans, proposes and analyzes changes for the QDP, and develops and executes the Professional Apprentice Career Track (PACT) designation plan.

NRC (Navy Recruiting Command). NRC recruits qualified candidates to meet the Navy's accession goals as signed by the Chief of Naval Personnel (CNP) and updated as required by direction via OPNAV N13. As active members in the Quarterly Demand Planning process, NRC works very closely with OPNAV N132 staff, PMO, BUPERS-32, NETC (N1/N7), CFFC (N1), and NPC (PERS-40) in development of the Rating Phasing Matrix (RPM) which is an integral part of the accession plan. Additionally, NRC provides a continual assessment of the recruiting market and environment.

NETC (Naval Education and Training Command). NETC executes the NESC production role by training Sailors for Fleet customers at initial accession Recruit Training, follow-on initial apprentice skills training ("A" School), and advanced skills ("C" School) training. In coordination with OPNAV directives, NETC conducts comprehensive feasibility studies to review NETC learning center capability to meet validated approved outyear requirements. Through participation in the QDP process, NETC provides learning site capacity availability and constraints throughout the execution year in response to changes in the planned accession training mission. Working closely with PMO, BUPERS, CFFC, NRC, and NPC (PERS-40), NETC manages each rating and NEC course of instruction in accordance with governing instructions.

NPC (Navy Personnel Command). Through its placement and distribution services (PERS-4), NPC allocates and distributes enlisted active duty personnel to support the manning readiness of aviation, shore, specialized, submarine, and surface units. NPC via its Manning Control Authority (MCA-Bureau) is responsible for the manning and placement functions for all other shore duty activities relating to infrastructure, training, recruiting, and joint commands. NPC provides career management and guidance as the Sailor's advocate.

PMO (Production Management Office). The PMO collaborates with stakeholder organizations across the MPTE domain to identify and communicate supply chain barriers and inefficiencies, performs analysis based upon industry standards for supply chain management, develops end-to-end monitoring metrics, and conducts Integrated Production Planning (IPP) and Production Line Management to more effectively deliver Sailors to meet Navy workforce needs. PMO assists resource sponsors with training requirements validation. More information on PMO is contained in Appendix B.

MCAs (Manning Control Authorities). MCAs are responsible for the continuous management of authorized priority manning that is necessary to ensure mission accomplishment and to provide the order of importance for which activities will be priority manned. All activities are assigned to one of two MCAs – Fleet (CFFC) and Bureau (NPC).

CFFC (Commander, Fleet Forces Command). Per Office of the Chief of Naval Operations Instruction (OPNAVINST 3000.15), CFFC organizes, supplies, trains, equips, administers, and maintains assigned Navy forces and shore activities to generate required levels of current and future fleet readiness. In consultation with Commander, U.S. Pacific Fleet (CPF); is the unified voice for fleet training requirements and policies to generate combat ready Navy forces. CFFC is also responsible for setting the Navy Manning Plan (NMP), via its Manning Control Authority (MCA-Fleet),

for all sea and fleet operational commands, as well as all shore duty activities that directly support operational readiness.

CPF (Commander, U.S. Pacific Fleet). CPF coordinates Fleet manning decisions that will change personnel readiness posture across the TYCOM domains.

TYCOMs (Type Commanders). TYCOMs are tasked with organizing, manning, training, and equipping assigned forces and shore activities to generate required current and future force levels of readiness. Units assigned to the TYCOMs are the end-user of the product produced by the NESC. The TYCOM's role in the supply chain process is to ensure an accurate and up-to-date picture of the requirement (demand signal).

CNRF (Commander, Navy Reserve Force). CNRF defines all initial and advanced skills training requirements and priorities for Navy Reserve personnel.

RESOURCE SPONSORS. The Chief of Naval Operations released Naval Administrative Message (NAVADMIN) 083/12 (12 March 2012) which directed the realignment of Navy Headquarters staff to enhance the Navy's ability to navigate fiscal challenges and deliver fleet and platform readiness. As a result, the Resource Sponsors are:

- OPNAV N1, Deputy Chief of Naval Operations for Manpower, Personnel, Training & Education (All Accessions and Advanced Education)
- OPNAV N2/N6, Deputy Chief of Naval Operations for Information Dominance
- OPNAV N4, Deputy Chief of Naval Operations for Fleet Readiness and Logistics
- OPNAV N9, Deputy Chief of Naval Operations for Warfare Systems
 - OPNAV N95, Director of Expeditionary Warfare
 - OPNAV N96, Director of Surface Warfare
 - OPNAV N97, Director of Undersea Warfare
 - OPNAV N98, Director of Air Warfare

Resource sponsors determine, validate, prioritize, and fund requirements. They are responsible for balancing available manpower and training resources against valid requirements in order to minimize risk to Fleet readiness and enhance the Navy's focus on war-fighting capability and total ownership costs. Resource sponsors play a critical role in requirements determination and validation, and must prioritize which manpower and training requirements to resource in accordance with higher level strategic guidance and CNO direction. Resource sponsors are integrated with all Navy Enlisted Supply Chain functions and processes to ensure efficient and effective decision-making associated with planning, programming, budgeting, and execution of manpower and training resources, to include annual updates to OPNAV approved training plans that support Commander, U.S. Fleet Forces Command (CFFC) and Commander, United States Pacific Fleet (CPF) readiness requirements.

Navy Enlisted Supply Chain Planning and Execution Processes

The NESC can be divided into two primary phases; planning and execution. The basics of this process are illustrated in Diagram 1 below. Current efforts are focused on building capabilities to align the “push” and “pull” demand signals along the supply chain.

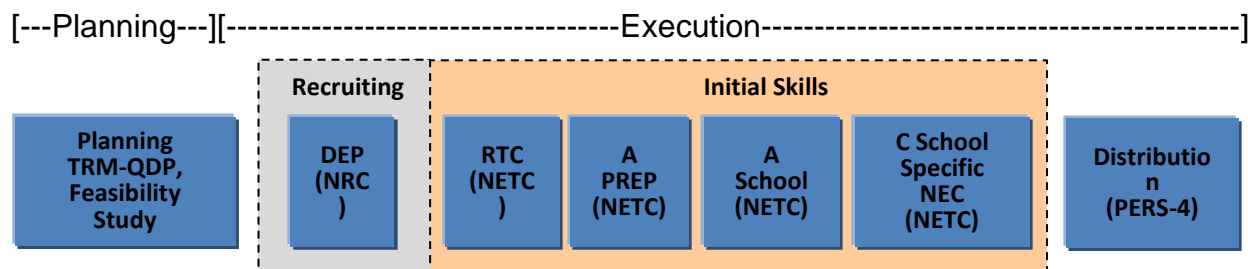


Diagram 1 – Navy Enlisted Accessions Supply Chain

Planning begins 36 months prior to the year of execution and concludes with accession planning and phasing changes, which frequently continue well into the execution year. This early “push” demand planning process determines initial skill training requirements, identifies additional resources needed to support those training requirements at the Course Data Processing Code (CDP) level, identifies budget requirements to deliver training; develops the recruiting goaling letter package, schedules; and identifies initial skills training quotas. Major planning phase stakeholders include OPNAV N1, N2/N6, N4, N9, N10, N12, N13, N15, BUPERS-3, NETC, NPC, CFFC, CPF, NRC, and the PMO.

The execution phase is where the “push” and “pull” demand signals meet. The “pull” demand signal is classically defined as a fleet vacancy based on a Sailors Planned Rotation Date (PRD) or End of Active Obligated Service (EAOS) date, whichever occurs first. This phase encompasses supply chain production operations beginning with recruits entering the Delayed Entry Program (DEP), shipping to boot camp consistent with the phasing requirements of the goaling letter, completion of initial skills training and ends with distribution of trained accession Sailors to their initial fleet assignment. Major execution phase stakeholders are NRC, NETC, PMO, PERS-4, CFFC, CPF, and TYCOMs.

A possible construct of the Supply/Demand process is detailed in Diagram 2. Potential future aspects of these processes, systems and events would include:

- Adding a demand planning architecture that reconciles competing needs to develop the agreed upon production number
- Adding a centralized planning source for data coordination
- Adding the capability to be driven by when the Sailor is needed
- Adding a direct linkage to predictable vacancies
- Adding the capability for calculating requirements that comprehends the inventories in various stages of training
- Adding a capability for calculating independent and dependent demand requirements
- Integrating Budget and End Strength with planning processes
- Incorporating feedback loops in all steps in the process
- Developing and managing using a “Firm Production Plan”
- Comprehension of additive lead times and total time to build the “product”
- Adding the ability to conduct inventory management including starts control
- Adding an automated, comprehensive, integrated tool to support the overall process
- Adding the capability for “What-If” Modeling for predicting impacts of decisions in advance

Quarterly Demand Planning (QDP) Process

The QDP process develops DCNO N1's yearly Active and Reserve component enlisted demand plans, which include accession and training plans. These are the Navy's primary demand plans, and direct MPTE stakeholders to execute specific recruiting, reclassification, and training requirements. The specific purpose of each QDP session is to review, assess and make recommendations for current and future year (12 to 36 month time frame) plans for each Navy rating. The results from QDP establish the foundation to maintain a repeatable review process that informs long-range demand planning and budgetary/POM decision-making. Members from N10, N12, N13, N14, N15, NRC, NPC, PERS-40, PMO, Navy Service Training Command (NSTC), BUPERS-3, NETC (N1/N7), CFFC (N1), CPF (N1), Commander Naval Reserve Force (CNRF), and the Resource Sponsors support this process.

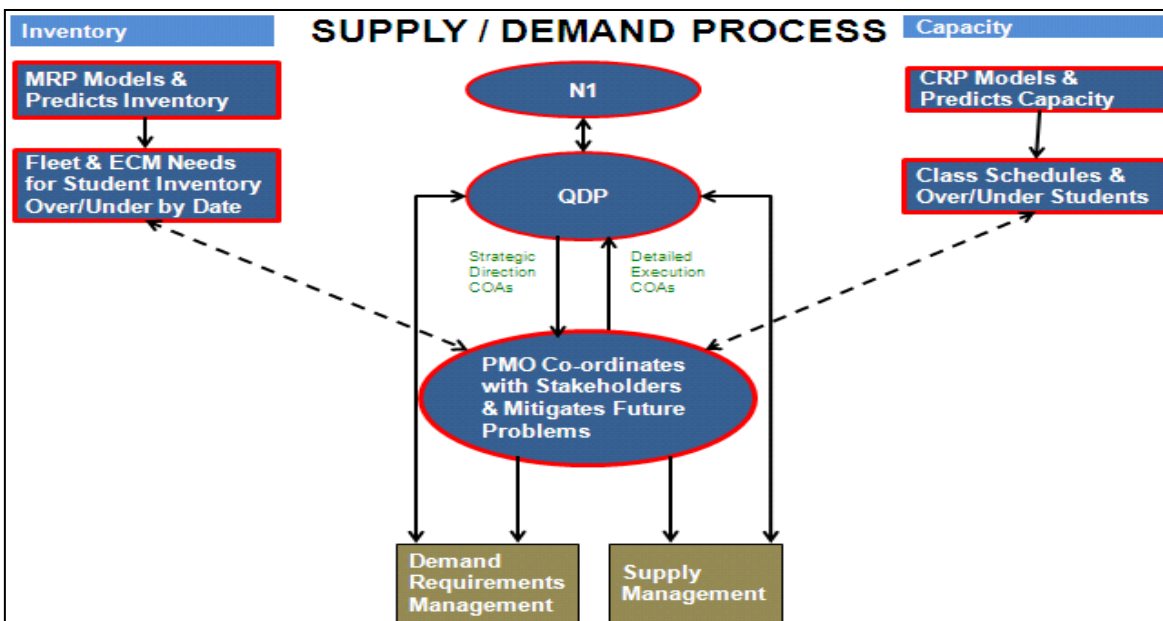


Diagram 2 – Supply / Demand Process

Business Improvement Team (BIT)

The BIT was chartered to provide strategic direction and oversight of NESC Planning and Execution. It is a Flag-level decision-making forum that provides a venue for supply chain barrier escalation, decision mitigation, and critically needed cross-functional process improvement implementation. To address supply chain issues, the BIT has established:

- Cross Functional Teams
 - CFT 1 - NESC Planning
 - CFT 2 - NESC Execution
 - CFT 3 - NESC Information Management / Information Technology

The Deputy, Chief of Naval Personnel (DCNP) and Commander, NETC serve as co-leads of the BIT.

Information Technology

NESC Stakeholders and PMO use data available through a variety of currently non-integrated corporate information sources (IT Systems) to manage the supply chain. PMO, the Information Management/Information Technology Team (CFT-3), and the Schedule Interface Team (SIT) are working with stakeholders to define and document the functional and technical requirements for new Supply Chain Management (SCM) information technology (IT) capabilities that will enable the integration of support systems and processes.

IT representatives and resources from across MPTE are currently engaged in the design and creation of key information technology infrastructures for the NESC. These technologies will be capable of increasing transparency, minimizing information delays, reducing transaction costs, and synchronizing data inputs across the MPTE domain. Additionally, the development of an Authoritative Data Warehouse (ADW) is in progress and will be essential for a fully integrated SCM enterprise environment. The SIT and CFT-3 are actively engaged with IT representatives to ensure data quality and availability remain a high priority. This combined team is also currently working to validate the legacy IT system data elements needed to meet Material Requirements Planning (MRP)/Capacity Requirements Planning (CRP) software input requirements as well as overall experiment objectives.

Supply Chain Management (SCM) Research

While supply chain management has an established tradition of optimizing commercial supply chains, additional research is needed to adapt commercial best practices into a MPTE context. Leveraging information visibility through the innovative use of technology and appropriate metrics will transform the Navy MPTE supply chain into a high-performing value system.

Additional research into emerging areas such as supply chain innovation, sustainability, risk management, total ownership costs, demand driven supply networks, and human behavior modeling is needed to better understand the unique challenges of the NESC. A sustained investment program of supply chain research will ensure continuous improvements in the means by which we deliver mission ready Sailors to meet Fleet requirements. N154 and Naval Personnel Research, Studies, and Technology (NPRST) lead the development of these initiatives.

In support of these efforts, the Schedule Interface Team (SIT) was chartered to conduct supply chain management research and to evaluate the ability of industry standard software scheduling, planning and capacity tools to meet the needs of the Navy MPTE initial accession supply chain (Street to Fleet).

Annual Review

This document will be reviewed and updated annually.

Appendices

Appendix A - Navy Enlisted Supply Chain Stakeholders and Governing Directives

Appendix B - Production Management Office Organizational Roles and Responsibilities

Appendix C – Navy Enlisted Supply Chain Principles

Appendix A

Navy Enlisted Supply Chain Stakeholders and Governing Directives

Stakeholder	Relationship in the Supply Chain	Governing Directives
OPNAV N1	Resource Sponsor	NAVADMIN 083/12
OPNAV N2/N6	Resource Sponsor	NAVADMIN 083/12
OPNAV N4	Resource Sponsor	NAVADMIN 083/12
OPNAV N9	Resource Sponsor	NAVADMIN 083/12
OPNAV N10/PERS 7	Collaborative Partner	MOU on ECM/QMO Shift – 12 July 2004
OPNAV N12	Collaborative Partner	OPNAVINST 1000.16
OPNAV N13	Strategic direction, plans, policy, and oversight	MFD 8 Aug 07 MFR 11 Aug 11
OPNAV N15	Collaborative Partner/Customer	
DCNP/CNPC	BIT Co-chair	MILPERSMAN
BUPERS-3	Collaborative Partner/Customer	
NETC	BIT Co-chair	NAVEDTRA 135 (series) OPNAVINST 1500.76 (series) OPNAVINST 1500.47 (series)
NSTC	Collaborative Partner/Customer	
NRC	Collaborative Partner/Customer	COMNAVCRUITCOMINST 1130.8(series)
USFF and CPF	Collaborative Partner/Customer	OPNAVINST 5440.77 COMUSFLTFORCOM/COMNAVPERINST 1300.1 (series)
TYCOM	Customer	
PMO	Chief Operating Officer	OPNAV 1500.47 (series) OPNAV 1220.2 (series)
CNRF	Collaborative Partner	

Appendix B

PMO Organizational Roles and Responsibilities

Information in this appendix describes PMO organizational roles and responsibilities supporting the NESC that will be formally promulgated in future Navy instructions.

PMO Background

While benchmarking supply chain operations with leading private sector companies, the Navy quickly recognized that supply chain processes must be improved at an operational level to make the NESC pipelines operate more efficiently. To this end, the Chief of Naval Personnel established the Production Management Office (PMO) in early 2008. The PMO was directed to continue the quota management responsibilities of the Student Quota Management Office (OPNAVINST 1500.47 series) while implementing the supply chain transformations along with monitoring and reporting corporate-level metrics.

PMO Mission

PMO's mission is to support the Chief of Naval Personnel's NESC business strategy by developing, institutionalizing and efficiently administering supply chain management principles for enhanced Fleet readiness.

This is accomplished with a continued focus on process improvement through the implementation of disciplined supply chain operation methodologies. PMO is committed to every stakeholder involved, through coordinated technology solutions and the application of best practices in supply chain management principles.

Our leadership in supply chain management will ensure a best-in-class performance, focused on continuous improvement that supports the Navy's MPTE business processes and is aligned with our strategy to optimize delivery of Sailors to the Fleet.

PMO Vision

The PMO will provide visibility of NESC business processes and pipeline inventory levels as part of continuing efforts to optimize on-time delivery of apprentice Sailors to meet all integrated production targets at the best value to the Navy. To achieve this vision, the PMO will ensure all initial accession production pipelines are:

- Operating at the most efficient inventory levels
- Meeting BIT-approved entitled production cycle times
- Delivering appropriately trained apprentice Sailors to their first Fleet assignment to meet on-time delivery and integrated production targets for all Navy ratings

PMO Guiding Principles

All PMO supply chain operations will be driven by these guiding principles:

- Advance CNO/CNP/DCNP/QDP/BIT strategies and guidance
- Focus on meeting customer expectations
- Maintain linkage with MPTE demand planners and policymakers
- Focus on constantly improving Navy enterprise-wide outcomes at the best value
- Coordination and communication among MPTE production units
- Act as the NESC's "honest broker" with recommended actions that are unbiased, add value, and are executable by all stakeholders within constraints
- Communicate to all stakeholders quickly when the supply chain cannot meet demand signals and facilitate the most effective and efficient mitigation efforts

PMO Purpose and Objectives

1. Build supply chain flow and discipline at the product line (Rating) level

- Conceptualize, develop and implement an Integrated Production Plan (IPP) process that will serve as the foundation for the "pull" demand signal
 - Implement processes governing planning, scheduling and conducting of Production Alignment Conferences (PACs) to better align initial accession supply chain production to meet the "pull" demand signal for initial accession Sailors in all Navy ratings
- Facilitate out-year planning process for the "push" demand signal, which is informed by the "pull" demand signal
- Change quotas in response to actual accession and other production variability, and changing Navy requirements for first-term personnel
- Primary point of contact for Inter-service Training Review Organization (ITRO) training opportunities to meet Navy needs
- Develop out-year Training Requirements Manager (TRM) Plan to support Program Objective Memorandum (POM) Training Plan
- Direct Navy-wide reclassification processes
 - Ensure pipeline Sailors are reclassified into the ratings most critically needed to meet Navy community health and Fleet delivery needs
- Quota Management Process owner for all "A" and "C" school training quotas for enlisted initial skills training

2. Provide visibility and reporting of supply chain operations and keep all stakeholders informed

- Develop, collect, and display standardized, corporate-level metrics for all accession pipelines, ensuring full visibility of all segments of the supply chain
- Analyze supply chain throughput employing industry standard methods
- Identify current and projected production and planning roadblocks, barriers and inefficiencies, and submit recommended solution sets to the QDP/BIT
- Produce loss rates for accession planning
- Construct the Rating Phasing Matrix (RPM) and Training Phasing Matrix (TPM) for the annual goaling letter and each revision using the Production Cohort Loss Rate (PCLR) and reclassification data input

3. Ensure continuous movement of Transient Personnel

- Monitor and report on personnel flowing through the Transient, Prisoner, Patient, Holdee, (TPPH) and student pipelines
- Plan, schedule and conduct on-site audits and training for transient personnel processing activities
- Audit actions, training, and recommendations for improvement directed toward reducing the number of Sailors and students accounted for in the Individuals Account
- Continue to examine current and developing corporate data systems and further leverage virtual opportunities to conduct more in-depth virtual audits of transient pipeline personnel movements and wait times

Navy Enlisted Supply Chain Chief Operating Officer (COO)

The Director of PMO reports to the Deputy Chief of Naval Personnel and currently serves as NESC Chief Operating Officer (COO). The COO is responsible for:

- Communicating the NESC strategy
- Ensuring all NESC stakeholders remain aware of and committed to supply chain management principles leading to efficient operations
- Ensuring supply chain accountability by developing and communicating clear operational guidance while monitoring and reporting top-level metrics
- Integrating and harmonizing NESC production activities and ensure enduring implementation of business process improvements directed by the BIT
- Monitoring, integrating and communicating the supply chain “pull” demand signal
- Ensuring total process and inventory transparency
- Communicating NESC barriers and recommended solution sets to the QDP/BIT

Production Line Manager (PLM)

The PLM reports to the NESC COO and supports the OPNAV N1 Accession Planner to ensure the Navy Supply Chain production plan is properly executed from initial accessions to fleet delivery by:

- Institutionalizing Integrated Production Planning/Production Alignment Conferences
- Integrating the efforts of NESC stakeholders
- Identifying and reporting resourcing issues
- Reconciling push-pull demand signals
- Reporting production plan variations and barriers
- Analyzing leading metrics to predict supply chain inefficiencies
- Supporting OPNAV N1 Accession Planners in adjusting accession levels in the year of execution through the Quarterly Demand Planning
- Chairing CFT-2 Rating Work Groups

PMO Deliverables

PMO will continue to develop analytical tools, capabilities and reports to enhance supply chain operations and to forecast and monitor the impact of supply chain decisions.

Examples include:

- End-to-end corporate-level supply chain metrics at the product-line level
- ALNAV Tracker
- Work in Progress (WIP)
- Weekly Accessions Report (WAR)
- Weekly PMO Reclassification Matrix (WPRM)
- Leading Indicator for Training Entry (LITE) Tool
- Reconciliation Decision Support Tool
- Rating Phasing Matrix (RPM)
- Training Phasing Matrix (TPM)
- Production Phasing Matrix (PPM) – In Development
- Vacancy-Based Demand Tool (VBDT)
- Integrated Production Planning (IPP) including Production Alignment Conferences (PAC)
- QDP Revision Tracker
- Supply Chain Flow Indicator (SCFI)
- Rating Dashboards
- “Street to Fleet” Process Maps

Information Technology Sources

To accomplish day-to-day work requirements, the PMO and other NESC stakeholders use data available through a variety of corporate information sources and will develop new supply chain management capabilities to accomplish overall management of the supply chain from “Street to Fleet”. Current systems include:

- Corporate Enterprise Training Activity Resource Systems (CeTARS)
- Enterprise Navy Training Reservation System (eNTRS)
- Navy Training Quota Management System (NTQMS)
- Electronic Service Record (ESR)
- Enlisted Assignments Information System (EAIS)
- Personalized Recruiting for Immediate and Delayed Enlistment (PRIDE MOD)
- Navy Manpower, Programming and Budget System (NMPBS)
- Fleet Training Management and Planning System (FLTMPS)
- Enlisted Master File (EMF)
- Total Force Manpower Management System (TFMMS)
- Reserve Headquarters System (RHS)
- Enterprise Performance Management (EPM) - COGNOS Business Intelligence tool

In support of supply chain management research (see pg.10), the PMO will develop a plan to integrate the applicable sections of these IT systems into a fully working supply chain management system supporting coordinated planning, programming and execution for all elements of the supply chain. The PMO will champion this plan.

PMO Way-Ahead

The PMO will:

- Continue to monitor and report on the performance of the Navy Enlisted Supply Chain and provide recommendations to senior leadership to achieve as much optimization as possible
- Remain focused on the delivery of new accession Sailors to meet the first tour integrated production plan targets based upon Enlisted Community Manager and Fleet needs and approved annual accession goals
- Lead the development and integration of Integrated Production Planning for all rating product lines, providing a harmonized demand signal and associated processes that will improve “Street to Fleet” production
- Expand Navy-wide visibility into all facets of supply chain planning and production, while continuing to monitor day-to-day production and communicate out-of-tolerance conditions
- Continue to manage levers such as reclassification and fair share quota allocation
- Collaborate with all NESC stakeholders to identify and implement cross-functional process improvements to gain supply chain efficiencies

Appendix C

NESC Principles

The primary principles to be applied within the NESC are:

- **Consistently apply cross-functional process thinking** – Joint decisions lead to superior outcomes compared to independent action
- **Establish and maintain process discipline** – The process of developing readiness cannot be accomplished by a single functional organization within the NESC; it takes dedicated and coordinated efforts from all the stakeholder organizations to accomplish established goals
- **Utilize a set of consistent, integrated, and hierarchical metrics** – The creation and dissemination of consistent metrics derived from integrating data from all relevant NESC stakeholder organizations for the purpose of facilitating fact-based analysis
- **Ensure full and consistent data, information, and activities** – The full disclosure and sharing of information, in conjunction with joint actions when appropriate, allows the leadership within the NESC stakeholder organizations to make better decisions
- **Establish and maintain accountability for actions and results** – Accountability within the NESC is vital to ensure objectives are accomplished
- **Apply an integrated governance structure** – An effective governance, architecture and integration process is essential to capitalize on opportunities for improved efficiencies within the supply chain
- **Take a Total Ownership Costs perspective** – It is important for the stakeholder organizations that make up the NESC to take a strategic financial management view in order to manage costs and mitigate risks while still providing capacity within the supply chain to meeting Fleet Need
- **Commit to Fleet Driven Metrics** – It is important to tie the efforts of the NESC to overarching metrics in order to measure success
- **Understand Second and Third Order Consequences of NESC Stakeholder Decisions** – Because the NESC is a system of systems, a process or slow decision made by one stakeholder will often have direct implications for other stakeholders. The NESC process, supported by the PMO and BIT, provides a forum to vet and review the implications of these types of decisions.